



State of Utah

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Utah State Tax Commission

PAM HENDRICKSON
Commission Chair

R. BRUCE JOHNSON
Commissioner

PALMER DEPAULIS
Commissioner

MARC B. JOHNSON
Commissioner

RODNEY G. MARRELLI
Executive Director

January 1, 2004

NEW AIRLINE COMPANY INSTRUCTIONS

To Whom It May Concern:

It has been brought to our attention that your company had airline activities in the State of Utah for the year 2003. This places your company under the jurisdiction of our Division for ad valorem tax purposes according to Section 59-2-202, Utah Code Annotated.

Enclosed is a letter of instruction and our **Annual Report Form**. This report is to be completed and mailed to our office by March 1, 2004. For good cause, the Commission may allow a short extension of time to file. Extensions will not exceed 30 days and written notarized requests will be considered only if received prior to March 1, 2004. See the **Notice** included in the **Annual Report** booklet.

We will be happy to meet with you to discuss the taxation process on your properties. We have a GIS system that is able to calculate mileage within a tax area and help locate properties within a tax area. If you would like to know more about this or need help locating tax areas, please call Terri Chidester at (801) 297-3612.

It is important for airlines to furnish the Utah Statistical Information regarding ground hours if they fly into Utah airports other than or in addition to Salt Lake City International.

If you have any questions regarding the above, please contact me.

Sincerely,

Marlo Edwards, Assistant Director
Property Tax Division
(801) 297-3622

dam
Enc.

210 North 1950 West
Salt Lake City, Utah 84134
www.tax.utah.gov

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801) 297-3811 or Telecommunications Device for the Deaf (TDD) (801) 297-2020. Please allow three working days for a response.

Utah!
Where ideas connect



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January 1, 2004

AIRLINE COMPANIES INSTRUCTIONS FOR FILING
2004 ANNUAL REPORT & RETURN FOR ASSESSMENT

Enclosed is a copy of our **Annual Report** for the 2004 assessment year. You must include in the **Report** all aircraft operated at the close of the year. Specify whether aircraft is owned, capital lease or operating lease units. It is important for airlines to furnish the Utah Statistical Information regarding ground hours if they fly into Utah airports other than or in addition to Salt Lake City International. Please furnish the name and telephone number of the person(s) to contact regarding these reports.

As part of your rendition for the year ended December 31, 2003, you are also required to file your stockholder's report, Form 10-K (if filed with the SEC) and a complete DOT Form #41 (formerly CAB #41). Also include a list of all data processing equipment leased to travel agencies, hotels, etc. This list should include name of the lessee, location, and type of equipment, lease term, lease payments and costs.

We have a GIS system that is able to calculate mileage within a tax area and also help locate properties within a tax area. If you would like to know more about this, or need help locating tax areas, please call Terri Chidester at (801) 297-3612.

The UTAH CODE ANNOTATED, 1953, 59-2-202 requires all taxpayers subject to assessment by the Utah State Tax Commission to furnish the Utah **Annual Report and Utah Return for Assessment**, accompanying this letter, on or before March 1, 2004. For good cause, the Commission may allow a short extension of time to file. Extensions will not exceed 30 days and written notarized requests will be considered only if received prior to March 1, 2004. See the **Notice** included in the **Annual Report**.

Unless an extension has been obtained, **Annual Reports and Returns for Assessment** that are received incomplete or after March 1, 2004 will be considered as not timely filed and subject to a penalty. For failure to furnish the statement as required, or other information considered necessary to determine valuations for assessment purposes or for the apportionment of the assessment, the statute noted above provides for a penalty of 10% of the estimated tax due but not less than \$100, up to a maximum of \$50,000.

If you have any questions regarding the above, please contact me at (801) 297-3622.

Sincerely,

Marlo Edwards, Assistant Director
Property Tax Division
(801) 297-3622

Enclosures

210 North 1950 West
Salt Lake City, Utah 84134
www.tax.utah.gov

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ANNUAL REPORT OF AIRLINE COMPANIES

to

THE UTAH STATE TAX COMMISSION

Property Tax Division

Centrally Assessed Property Section

210 North 1950 West, Third Floor

Salt Lake City, Utah - 84134

(801) 297-3600

FOR THE YEAR ENDED DECEMBER 31, 20____

(Name of Company)

NOTICE

It is the policy of the Property Tax Division to assess penalties in accordance with the laws of the State of Utah. It is further policy of the Division to regard any late, non-filed or incomplete return as subject to the penalties of section 59-2-202(1) and (3) described below.

UTAH CODE ANNOTATED 59-2-202 (1)(a) provides, in part, that "A person, or officer or agent...shall, on or before March 1 of each year, furnish to the commission a statement signed and sworn to by the person, officer, or agent showing in detail all property, real or personal, owned by the person in the state, including a statement of mileage in each county, as valued at 12 o'clock m. of January 1 of the year, with any other information required by the commission. (b) The commission may extend the time for filing the statement under Subsection (1)(a), except that the extension may not exceed 30 days."

It is the policy of the Division that requests for extension are never automatic (except if 59-2-202 (1)(c)(ii) is applicable) and must be received before March 1. Requests for extension must be in writing and must be notarized. The request for extension must include documentation showing that the extension is justified. An extension of the time in which an annual report shall be filed is limited to circumstances where the taxpayer can show that an extension is necessary for reasons that are entirely beyond the control of the taxpayer. An extension may be granted for no more than 30 days, and is not granted unless a written reply granting the extension is received from the Division.

UTAH CODE ANNOTATED 59-2-202 (3) provides, in part, that "Except as provided in Subsection (3)(c), the commission shall assess a person a penalty as provided in Subsection (3)(b), if the person, or an officer or agent of that person, fails to file the statement required under Subsection (1)(a) on or before the later of March 1, or if the commission allows an extension under Subsection (1)(c) for filing the statement, the day after the last day of the extension period; or any other information the commission determines to be necessary to establish valuations for assessment purposes; or apportion an assessment. The penalty described in Subsection (3)(a) is an amount equal to the greater of 10% of the person's estimated tax liability under this chapter for the current calendar year not to exceed \$50,000; or \$100.

INSTRUCTIONS

PART A. PURPOSE

1. This report, to be submitted to the Utah State Tax Commission, Property Tax Division, 210 N 1950 W, Salt Lake City, Utah 84134, pursuant to the provisions of Utah Code Ann. 59-2-217 and 59-1-210, is to provide information necessary to determine the fair market value of the respondent's property in Utah.

PART B. FILING INFORMATION

1. Return complete form, including this page. DO NOT DETACH ANY PAGES.

2. This report, complete with all attached schedules, supplementary information, and copies of Stockholder and Regulatory Authority reports, as specified in Part C. below, must be completed and returned on or before March 1 of each year to the Utah State Tax Commission, Property Tax Division, Centrally Assessed Property section, at the address shown above.

PART C. GENERAL INSTRUCTIONS

1. Please refer all questions concerning this report to the Centrally Assessed Property section at the address shown above, or telephone (801) 297-3600.

2. All schedules must be typewritten or electronic facsimile. If additional space is required to complete any schedule, pages may be attached as needed.

3. A copy of the Annual Report to Stockholders of the Company (and of the Parent Company if any), a complete copy of the Annual Report to Federal Regulatory Authorities (or to the Utah Public Service Commission), and the latest Rate Proceeding filed with the Federal Regulatory Authorities, must be submitted with this report or as soon as available after filing this report. In the event the Report to Stockholders or the Report to Federal Regulatory Authorities is not available as of the filing date, this report must be filed separately by March 1st.

4. Whenever practicable, accounts specified in this report, and their respective numbers conform with those established by the appropriate Federal Regulatory Authority for each type of Public Service Company (i.e., E, DOT, ICC, FCC, FERC). Information reported herein should conform to the accounting specifications of the appropriate agency. Non-regulated companies must relate these accounts to their respective accounting systems.

5. All dollar amounts are to be rounded to the nearest dollar.

6. Supplemental information or schedules relating to fair market value of the respondent's property must be submitted with this report to be considered in determination of the value.

7. This report shall not be considered filed if not completed in full.

COMPANY INFORMATION

COMPANY NAME: _____

COMPANY ADDRESS: _____

CITY, STATE, ZIP: _____

COMPANY PHONE: _____

BRIEF DESCRIPTION OF UTAH'S OPERATIONS:

YEAR ORGANIZED: _____ FEIN # _____

YEAR UTAH OPERATION COMMENCED: _____

ORGANIZED IN WHAT STATE: _____

TYPE OF OWNERSHIP: CORPORATION ☐
 PARTNERSHIP ☐
 INDIVIDUAL ☐
 OTHER ☐

REFER ALL CORRESPONDENCE TO:

NAME: _____

ADDRESS: _____

TELEPHONE: _____

FAX NUMBER: _____

E-MAIL: _____

CHANGES DURING YEAR AND REMARKS:

CONSTRUCTION WORK IN PROGRESS (CWIP)

(ONLY INCLUDE COSTS WHICH ARE TO BE CAPITALIZED TO PROPERTY, PLANT AND EQUIPMENT ACCOUNTS
ONLY INCLUDE AMOUNTS WHICH ARE FOR EXPANSION AND NOT MERELY FOR EXISTING PLANT REPLACEMENT)

JANUARY 1, _____

IS CWIP ALLOWED AS PART OF THE RATE BASE?	YES _____	NO _____
COST OF CWIP TO BE COMPLETED WITHIN 6 MONTHS	SYSTEM	UTAH
COST OF CWIP TO BE COMPLETED WITHIN 12 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 18 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 24 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 30 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 36 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 42 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 48 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 54 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 60 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 66 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 72 MONTHS		
MAJOR PROJECTS TO BE COMPLETED WITHIN 78 MONTHS		
TOTAL COST OF CWIP, TO DATE		

BALANCE SHEET

As Of: _____

Air Carrier: _____

ASSETS	AMOUNT
<u>CURRENT ASSETS:</u>	
Cash	
Short-term investments	
Receivables (Net)	
Spare parts and supplies - net	
Prepaid items	
Other current assets	
Total Current Assets	
<u>INVESTMENTS:</u>	
Investments in associated companies	
Other investments and special funds	
Total Investments and Special Funds	
<u>OPERATING PROPERTY AND EQUIPMENT:</u>	
Flight equipment (excluding Rotables)	
Less: Allowance for depreciation	
Rotables & Spare Engines	
Less: Allowance for Depreciation	
Ground property and equipment	
Less: Allowances for depreciation	
Property and equipment - net	
Land	
Equipment purchase deposits and advance payments	
Construction work In progress	
Leased property under capital leases	
Less: Accumulated amortization	
Gates, Routes, Slots	
Less: Accumulated depreciation and amortization	
Total Operating Property and Equipment	
<u>NON-OPERATING PROPERTY AND EQUIPMENT:</u>	
Less: Allow. for depreciation/accum. amortization	
Non-operating property and equipment	
<u>OTHER ASSETS:</u>	
Long-term payments	
Unamortized development and pre-operating costs	
Other assets and deferred charges	
Total Other Assets	
TOTAL ASSETS:	

* Please show negative numbers in parentheses.

LIABILITIES & EQUITY	AMOUNT
<u>CURRENT LIABILITIES:</u>	
Current maturities of long-term debt _____	
Notes payable - Banks _____	
Notes payable - Others _____	
Trade accounts payable _____	
Accounts payable - others _____	
Current obligations under capital leases _____	
Accrued salaries, wages _____	
Accrued vacation liability _____	
Accrued interest _____	
Accrued taxes _____	
Dividends declared _____	
Other current liabilities _____	
Total current liabilities _____	
<u>NON-CURRENT LIABILITIES:</u>	
Long-term debt _____	
Advances from associated companies _____	
Pension liability _____	
Non-current liabilities under capital leases _____	
Other non-current liabilities _____	
Total non-current liabilities _____	
<u>DEFERRED CREDITS:</u>	
Deferred income taxes _____	
Deferred investment tax credits _____	
Other deferred credits _____	
Total deferred credits _____	
<u>STOCKHOLDER'S EQUITY:</u>	
Capital stock:	
Preferred shared issued _____	
Common shares issued _____	
Subscribed shares issued _____	
Total capital stock _____	
Additional capital invested _____	
Total paid-in capital _____	
Retained earnings _____	
Total stockholder's equity _____	
Less: Treasury stock shares _____	
Net stockholder's equity _____	
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY _____	
<p>* Please show negative numbers in parentheses.</p>	

STATEMENT OF OPERATIONS

Air Carrier: _____

Operation: _____

	Current Calendar Year	Preceding Calendar Year
<u>OPERATING REVENUES</u>		
<u>OPERATING EXPENSES:</u>		
Flying operations		
Maintenance		
Passenger service		
Aircraft and traffic servicing		
Promotion and sales		
General and administrative		
General and administrative		
Depreciation and amortization		
Other operating expenses		
Total operating expenses		
Operating profit or loss		
<u>NON-OPERATING INCOME AND EXPENSE:</u>		
Interest on long-term debt and capital leases		
Other interest expense		
Foreign exchange gains and losses		
Capital gains and losses		
Other income and expense - net		
Non-operating income and expense		
Income before income taxes		
<u>INCOME TAXES FOR CURRENT PERIOD:</u>		
Income before discontinued operations, extraordinary items and accounting changes		
<u>DISCONTINUED OPERATIONS</u>		
<u>EXTRAORDINARY ITEMS</u>		
Income taxes applicable to extraordinary items		
<u>ACCOUNTING CHANGES</u>		
Net Income		

LISTING OF AMORTIZABLE PROPERTIES

INSTRUCTIONS: List all categories of property capitalized on the balance sheet that are being amortized, and complete the following schedule. Indicate which items of property you believe are exempt under Utah Property Tax Law and attach an explanation as to why you believe it is exempt.

[illegible]

CASH FLOW INFORMATION

Based upon a new Utah State Tax Commission rule, the following information is essential to the completion of the annual assessment. Please feel free to attach any additional information you believe would be helpful in understanding and interpreting this schedule as you have completed it. Unless otherwise noted, income and expense items are generated by or through the use of the operating assets of the company.

	Most Recent	Previous	Previous	Previous	Previous
	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
<u>Income & Expense Items</u>	20__	20__	20__	20__	19__

Net operating income (NOI)	This figure will be computed by the Property Tax Division as before.				
Depreciation Expense					
Amortization Expense					
Deferred income taxes (expense)					
Realized value of disposed property 1/					
Other non-cash expense (attach explanation)					
Total Capital Expenditures 2/					
Capital Expenditures for Replacement 3/					

As of Dec.	As of Dec.	As of Dec.	As of Dec.	As of Dec.
Dec. 31	Dec. 31	Dec. 31	Dec. 31	Dec. 31
20__	20__	20__	20__	19__

Total Operating Revenues

--	--	--	--	--

Growth Rate: The capital expenditures for replacement are expected to create no growth expectation in cash flows. If you are unable to separate out the non-growth component from your total capital expenditures in a reasonable way, please indicate the expected growth rate that was driving the total capital expenditures being made. Attach a detailed explanation of how this growth rate was arrived at.

As an alternative to providing replacement and maintenance capital expenditures, the following is the expected growth rate that the total capital expenditures are based upon ____%.

Footnotes to Cash Flow Information Page

1. Total net after-tax amount received from any sale and disposition. This is not the gain or loss on sale amount. These reflect sales of property, plant and equipment from continuing operations. Dispositions of whole divisions or subsidiaries should not be included here. If any of this amount was included in operating income or expense, please attach a detailed explanation.
2. Total expenditures for capitalized property, plant and equipment.
3. Total capitalized expenditures to replace and maintain existing plant not to include any increments that expand existing plant or increase productivity or otherwise is expected to result in any real economic growth. Attach a detailed explanation of how these capital expenditure amounts were arrived at.

LONG TERM DEBT	
----------------	--

[illegible]

CAPITAL STOCK	
---------------	--

[illegible]

INVENTORY OF ALL FLYABLE AIRCRAFT

AS OF JANUARY 1, 20____

Report total amounts by aircraft type only

INVENTORY OF ALL FLYABLE AIRCRAFT

AS OF JANUARY 1, 20____

Report total amounts by aircraft type only

INVENTORY OF ALL FLYABLE AIRCRAFT

AS OF JANUARY 1, 20____

Report total amounts by aircraft type only

[illegible]

FLIGHT EQUIPMENT
CAPITALIZED LEASED AND OWNED AIRCRAFT
AS OF JANUARY 1, 20____

Report all system owned aircraft

Aircraft Number (Tail Number)	Type of Aircraft	Year Mfd.	Serial No.	Year of Acquisition	Cost	Depreciation	Balance End of year
----------------------------------	---------------------	--------------	---------------	------------------------	------	--------------	------------------------

[illegible]

AIRCRAFT OPERATING LEASE PAYMENTS

AGGREGATE FUTURE MINIMUM LEASE PAYMENTS

AS OF DECEMBER 31, 20____

YEAR		OPERATING LEASES TOTAL BY YEAR
2004		
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		

FLIGHT EQUIPMENT - OPERATING LEASES

YEAR ENDED:[illegible]

THIS SHEET MAY BE DUPLICATED IF NEEDED FOR ADDITION LISTINGS

OTHER OPERATING LEASES

SYSTEM

[illegible]

UTAH TERMINAL PROPERTY DETAIL

ASSETS	CAPITALIZED COST	ALLOWANCE FOR DEPRECIATION	NET BOOK VALUE
GROUND EQUIPMENT:			
Passenger Service			
Food Service			
Ramp Service			
Communication			
Maintenance			
Surface Transport			
Office & Furniture			
Storage & Distribution			
Misc. Ground Equipment			
Improvements, maintenance & Buildings			
Other Bldgs. & Improvements			
Spare parts & Supplies			
Ground Operating Leases (Expensed)			
Grand Total:			

YEAR ENDED DECEMBER 31, 20____

THIS SHEET MAY BE DUPLICATED FOR ADDITIONAL LISTINGS

UTAH STATISTICAL INFORMATION
OTHER AIRPORTS WITHIN UTAH (PLEASE SPECIFY)

YEAR ENDED DECEMBER 31, 20 ____

TYPE OF AIRCRAFT	NAME OF UTAH AIRPORT	ORIGINATING AND TERMINATING TONNAGE	GROUND HOURS
------------------------	----------------------	---	-----------------

TOTALS:			

THIS SHEET MAY BE DUPLICATED FOR ADDITIONAL LISTINGS

**Motor Vehicle Report
2004 Assessment Year**

Pursuant to Tax Commission Rules R884-24P-60 and R884-24P-61, the Property Tax Division's handling of motor vehicles subject to local Utah registration and taxation has changed. The following information should be reported to receive a deduction on your central assessment: The **gross cost** and **net book value** of vehicles registered in the state.

PLEASE NOTE: Include only motor vehicles that would be classified under Personal Property Schedule Class 22 - Passenger Cars, Light Trucks, and Vans.

Utah Class 22 registered vehicles:

Cost	Net Book Value

ACKNOWLEDGEMENT

STATE OF _____

COUNTY OF _____

I, _____, _____ (Title),
of _____ (Company Name), being duly
sworn, say that the foregoing report has been prepared under my supervision and
direction from the original books, papers and records of said Company and as
required by law; and that all the facts, statements and schedules in said report
contained are true.

(Name)

(Title)

STATE OF _____

COUNTY OF _____

On this _____ day of _____, 20____, personally appeared
before me _____, whose identity is
personally known to me (or proved to me on the basis of satisfactory evidence) and
who by me duly sworn (or affirmed), did say that he/she is the
_____ (title or office) of the
_____ (Company) and that said
document was signed by him/her in behalf of said Company by authority of its
bylaws (or a resolution of its Board of Directors), and said
_____ (name) acknowledged to me
that said Company executed the same.

S
E
A
L

_____ Notary Public
My commission expires _____